

**Amendment to Modalities for sanction and
disbursement of Industrial Promotion
Subsidy under GST regime
to Mega / Ultra Mega Projects under PSI –
1993, PSI-2001, PSI-2007 and PSI-2013.**

**GOVERNMENT OF MAHARASHTRA
INDUSTRIES, ENERGY AND LABOUR DEPARTMENT,
Government Corrigendum No. PSI 2017/CR-117/IND-8
Mantralaya, Mumbai- 400 032
Date : 08/03/2019**

- Read :**
- 1) Government Resolution, I.E. & L.D. No.IDL-1005/CR-119/IND-8, dated 02/06/2005.
 - 2) Government Resolution, I.E. & L.D. No.PSI-1707/(CR-50)/IND-8, dated 30/03/2007 (Package Scheme of Incentives 2007).
 - 3) Government Resolution, I.E. & L.D. No.PSI-2108/(CR-36)/IND-8,dated 03/12/2008.
 - 4) Government Resolution, I.E. & L.D. No.PSI-2013/CR-54/IND-8, dated 01/04/2013 (Package Scheme of Incentives 2013).
 - 5) Government Resolution, I.E. & L.D. No.PSI-2015/CR-97/IND-8,dated 07/09/2015.
 - 6) Government Resolution, I.E. & L.D. No.PSI-2017/CR-197/IND-8, dated 12/06/2018.
 - 7) Government Resolution, I.E. & L.D. No.PSI-2017/CR-117/IND-8, dated 20/12/2018.

Introduction-

In view of revision in Tax system from VAT to GST w.e.f. 01.07.2017 the modalities for sanction and disbursement of Industrial Promotion Subsidy (IPS) declared by Government vide GR dated 20.12.2018 are required to be revised.

Corrigendum-

The Government is now pleased to prescribe the following amendment in modalities' and procedure for sanction and disbursement of Industrial Promotion Subsidy to all Mega / Ultra Mega Projects covered under PSI-1993,2001, PSI-2007 and PSI-2013 as follows.

Explanation :

The clause 4 shall be inserted in explanation as follows

- 4) Transactions between category of related persons, where no IPS would be allowable in respect of SGST paid on transactions as mentioned in clause 3 shall not apply to following categories
 - a) For Motor Vehicle manufacturing sector as mention in clause 1.
 - b) Units that are in production, having transaction existence prior to dated 01.07.2017.(but this clause will not be applicable to expansion and new projects sanctioned or starting production from 01.07.2017 onwards).

- c) "if the finished product(s) of one unit is a raw material/input to a production process for the purchaser unit and the purchaser unit carries out further value addition/processing, which amounts to 'manufacture' as defined in para 2(72) of CGST Act, shall be eligible to get Industrial Promotion Subsidy on SGST paid.
- d) The Modalities for disbursement of Industrial Promotion Subsidy as mentioned in para 4 shall be continue till further orders of Government. The impact of the above shall be evaluated after One year.

This Government Resolution issues with the concurrence of Finance Department vide its U. O. R. No. 12/Taxation-1, dated 19.06.2018.

This Government Corrigendum of Maharashtra Government is available at the website www.maharashtra.gov.in. Reference no. for this is 201903111608543210. This Corrigendum has been signed digitally.

By order and in the name of the Governor of Maharashtra.

(Sanjay Ingle)
Deputy Secretary to
Government of Maharashtra

To,

1. Development Commissioner (Industries), M.S., Mumbai,
2. Commissioner of Sales Tax, M.S., Mumbai,
3. Chief Executive Officer, Maharashtra Industrial Development Corporation, Mumbai.
4. Accountant General (Accounts and Entitlement)-1, Mumbai.
5. Accountant General (Audit)-1, Mumbai.
6. Accountant General (Accounts and Entitlement)-II, Nagpur.
7. Accountant General (Audit)-II, Nagpur.
8. All General Managers, District Industrial Centers
9. Pay and Accounts Officer, Mumbai.
10. Resident Audit Officer, Mumbai.
11. Finance Department (Taxation-1), Mantralaya, Mumbai-32.
12. Maitri Cell
13. Select File (Ind-8).